

Response to SR 163 of the 2017 Regular Legislative Session

Louisiana Department of Health

Bureau of Health Services Financing

July 5, 2017



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Preface

As per Senate Resolution 163 of the 2017 Regular Legislative Session, the Louisiana Department of Health (henceforth “LDH”) submits this monthly report on the Medicaid expansion population and the experience of other state Medicaid programs with work requirement and cost sharing initiatives.

Many state Medicaid programs have established various cost sharing mechanisms and are choosing to engage in work requirements, particularly for the expansion population. The current version of the federal American Health Care Act of 2017 includes optional provisions for states to adopt work requirements. Populations that could be subject to work requirements include nondisabled, nonelderly, non-pregnant Medicaid adults. Excluded groups include:

- pregnant women through 60-days post-partum
- children under 19
- sole parent/caretaker in family for child under 6 or child with disability
- individuals under age 20 who are married or head of household and maintain satisfactory secondary school or equivalent program attendance or participate in education directly related to employment.¹

Cost sharing is a payment mechanism whereby Medicaid recipients could be personally responsible for copayments, coinsurance, deductibles, or similar charges on both inpatient and outpatient services. However, it is subject to certain federal restrictions. It cannot be imposed on emergency services, pregnancy related services (including tobacco cessation), or preventive services for children, and exempted groups include:

- Children under age 18 (or 19, 20, or 21 at the state’s option)
- Individuals living in an institution who are required to contribute all of their income (except a minimum amount required for personal needs) toward the cost of their care
- Individuals receiving hospice care or terminally ill individuals
- American Indians and Alaska Natives who have ever received a service from the Indian Health Service, tribal health programs, or under contract health services referral
- Women who are enrolled in Medicaid under the Breast and Cervical Cancer Treatment Program are exempted from Alternative out of pocket costs only.²

While services cannot be withheld for failure to pay, enrollees may be held liable for unpaid copayments. The maximum allowable amount for copayments allowed is detailed in the table below.

¹ MaryBeth Musumeci, Medicaid and Work Requirements, (The Henry J. Kaiser Family Foundation, March 2017). Accessed July 2017: <http://www.kff.org/medicaid/issue-brief/medicaid-and-work-requirements/>

² Accessed July 2017: <https://www.medicaid.gov/medicaid/cost-sharing/cost-share-exemp/index.html>

Maximum Allowable Copayments For FY 2013

Services and Supplies	Eligible Populations by Family Income		
	100% FPL	101-150% FPL	>150% FPL
Institutional Care (inpatient hospital care, rehab care, etc.)	\$75	10% of the cost the agency pays for the entire state	20% of cost the agency pays for the entire state
Non-Institutional Care (physician visits, physical therapy, etc.)	\$4.00	10% of costs the agency pays	20% of costs the agency pays
Non-emergency use of the ER	\$8.00	\$8.00	No limit *within 5% aggregate limit
Drugs Preferred drugs Non-preferred drugs	\$4.00 \$8.00	\$4.00 \$8.00	\$4.00 20% of cost the agency pays

Source: Medicaid.gov at <https://www.medicaid.gov/medicaid/cost-sharing/out-of-pocket-costs/index.html>

A more detailed accounting of the status of those measures and specified utilization data for Louisiana's Medicaid expansion program are enclosed within as per the requirements of the legislation.

Due to the higher complexity of some of the requested data elements, some sections of this report are currently in development as the data are being compiled and vetted for accuracy. Finalization of all data sections is anticipated for the next monthly report.

Louisiana Medicaid Expansion Population

NUMBER OF INDIVIDUALS ENROLLED IN MEDICAID FOR THE REPORTING PERIOD WHO ARE ELIGIBLE AS PART OF THE EXPANSION POPULATION.

As of June 26, 2017, there are 433,412 adults enrolled in Medicaid under expansion. Table 1 below reflects enrollment by parish.

Table 1: Medicaid expansion enrollment by parish as of June 26, 2017

Parish	Enrollment Count	Parish	Enrollment Count
Acadia	5,971	Madison	1,687
Allen	1,922	Morehouse	3,592
Ascension	6,400	Natchitoches	3,649
Assumption	1,776	Orleans	52,157
Avoyelles	4,324	Ouachita	16,710
Beauregard	2,897	Plaquemines	1,717
Bienville	1,577	Pointe Coupee	1,916
Bossier	7,832	Rapides	11,159
Caddo	23,682	Red River	987
Calcasieu	17,355	Richland	2,665
Caldwell	1,254	Sabine	2,239
Cameron	282	St. Bernard	5,173
Catahoula	1,196	St. Charles	3,367
Claiborne	1,456	St. Helena	893
Concordia	2,124	St. James	1,837
De Soto	2,601	St. John the Baptist	4,387
East Baton Rouge	35,908	St. Landry	10,150
East Carroll	1,118	St. Martin	4,740
East Feliciana	1,794	St. Mary	6,206
Evangeline	3,606	St. Tammany	15,923
Franklin	2,828	Tangipahoa	13,494
Grant	1,670	Tensas	640
Iberia	8,306	Terrebonne	10,725
Iberville	3,045	Union	2,381
Jackson	1,615	Vermilion	5,414
Jefferson	44,634	Vernon	3,225
Jefferson Davis	2,897	Washington	5,015
Lafayette	18,955	Webster	4,350
Lafourche	7,608	West Baton Rouge	1,978
LaSalle	1,286	West Carroll	1,377
Lincoln	3,995	West Feliciana	850
Livingston	9,292	Winn	1,373

Source: Medicaid Data Warehouse

NUMBER OF INDIVIDUALS AGE NINETEEN TO FORTY-NINE AND NUMBER OF INDIVIDUALS AGE FIFTY TO SIXTY-FOUR.

Table 2: Expansion enrollment by age cohort, SFY 2017 year to date through 6/26/2017

AGE Group	Unduplicated Recipient Count
Ages 19 to 49	384,075
Ages 50 to 64	113,663

Source: Medicaid Data Warehouse

NUMBER OF INDIVIDUALS IN EACH AGE CATEGORY WITH EARNED INCOME.

Due to its complexity, the Department is currently working to finalize this data element with publication anticipated in the August 2017 report.

NUMBER OF INDIVIDUALS IN EACH AGE CATEGORY ASSIGNED TO A MEDICAID MANAGED CARE ORGANIZATION (MCO), IDENTIFIED BY EACH INDIVIDUAL MCO.

Table 3: Expansion enrollment by health plan, SFY 2017 year to date through 6/26/2017

AGE Group	Health Plans				
	AETNA	AMG	ACLA	LHCC	UHC
Ages 19 to 49	46,381	67,325	57,847	109,101	115,794
Ages 50 to 64	19,836	20,188	17,890	28,876	32,324

Source: Medicaid Data Warehouse

THE PER-MEMBER PER-MONTH COST PAID TO EACH MCO TO MANAGE THE CARE OF THE INDIVIDUALS ASSIGNED TO THEIR PLAN, IDENTIFIED BY EACH INDIVIDUAL MCO.

Table 4: Expansion per member per month payments by health plan, SFY 2017 year to date through 06/26/2017

AGE Group	Health Plans				
	AETNA	AMG	ACLA	LHC	UHC
Ages 19 to 49	\$69,084,639	\$103,231,033	\$88,855,628	\$169,813,253	\$178,924,376
Ages 50 to 64	\$46,781,739	\$48,674,215	\$43,563,199	\$70,021,034	\$77,909,620

Source: Medicaid Data Warehouse

Medicaid Expansion Utilization

COMPARISON OF INDIVIDUALS AGE NINETEEN TO FORTY-NINE, AGE FIFTY TO SIXTY-FOUR, AND THOSE WHO ARE COVERED BY MEDICAID WHO ARE NOT PART OF THE EXPANSION POPULATION UTILIZING THE FOLLOWING SERVICES DURING THE REPORTING PERIOD:

- *EMERGENCY DEPARTMENT.*
- *PRESCRIPTION DRUGS.*
- *PHYSICIAN SERVICES.*
- *HOSPITAL SERVICES.*
- *NON-EMERGENCY MEDICAL TRANSPORTATION.*

EXPENDITURES ASSOCIATED WITH EACH SERVICE FOR INDIVIDUALS AGE NINETEEN TO FORTY-NINE, AGE FIFTY TO SIXTY-FOUR, AND THOSE WHO ARE COVERED BY MEDICAID WHO ARE NOT PART OF THE EXPANSION POPULATION DURING THE REPORTING PERIOD.

Due to its complexity, the Department is currently working to finalize these data elements with publication anticipated in the August 2017 report.

State Waiver Initiatives

Tables 5 and 6 below reflect key themes found in LDH’s research regarding other state expansion waivers and also additional pending provisions requested in those waivers that have not been approved or implemented yet.

Table 5: Key Themes in Approved ACA Expansion Waivers as of June, 2017³

	AR	AZ	IA	IN	MI	MT	NH
Premium Assistance	QHP & ESI*		ESI	ESI	QHP		QHP
Premiums/Monthly Contributions	X	X	X	X	X	X	
Healthy Behavior Incentives		X	X	X	X		
Waive Required Benefits			X	X			
Waive Reasonable Promptness				X			
Waive Retroactive Eligibility	X			X			X
Co-payments Above Statutory Limits				X			
12-month Continuous Eligibility						X	

*Note: QHP = Qualified Health Plan; ESI = Employer Sponsored Insurance

Table 6: Pending Provisions Not Approved as of June, 2017⁴

	AR	AZ	IN	KY
Population(s) Affected	Expansion Adults	Expansion and Traditional Adults	Expansion and Traditional Adults	Expansion and Traditional Adults
Work Requirement	X	X	X	X
Time Limit on Coverage		X		
Limit Expansion Eligibility to 100% FPL with Enhanced Match	X			
Monthly Income Verification and Eligibility Renewals		X		
Lock-out for Failure to Timely Renew Eligibility			X (expansion adults)	X
Tobacco Surcharge			X	

³ MaryBeth Musumeci, Elizabeth Hinton, Robin Rudowitz, Key Themes in 1115 Medicaid Expansion Waivers, (The Kaiser Family Foundation, June 2017). Accessed July 2017: <http://www.kff.org/medicaid/issue-brief/key-themes-in-section-1115-medicaid-expansion-waivers/>

⁴ Ibid.

STATES THAT HAVE SUBMITTED WAIVER REQUESTS TO CMS TO IMPLEMENT WORK REQUIREMENTS OR OTHER COMMUNITY ENGAGEMENT INITIATIVES OR ACTIVITIES AS A CONDITION OF ELIGIBILITY FOR ABLE-BODIED MEDICAID RECIPIENTS TO INCLUDE THE NAME OF THE STATE, THE YEAR THE WAIVER WAS SUBMITTED, WHETHER THE WORK REQUIREMENT IS OPTIONAL OR A MANDATORY CONDITION OF ELIGIBILITY, THE POPULATION COVERED, A SHORT SUMMARY OF THE PROPOSAL, AND THE CURRENT STATUS OF THE WAIVER APPLICATION.

Table 7 below reflects preliminary research performed by the department on waiver requests regarding Medicaid work requirements in other states. Additional research will follow in the next monthly report.

Table 7: Work Requirement Waiver Status by State⁵⁶

State	Year	Condition of Medicaid Eligibility	Population	Proposal	Status as of 03/2017
Arizona	2015	Yes	Able-bodied expansion and traditional adults	Work, actively seek work, or attend school or job training for 20 hours/week; also proposed voluntary work incentive program for medically frail expansion adults	Denied by CMS
	2017	Yes	Includes able-bodied expansion and traditional adults; excludes full-time high school students, sole caregiver for family member under age 6, receiving temporary or permanent long-term disability benefits, determined physically or mutually unfit for work by health care professional	Work, actively seek work, or attend school or job training for 20 hours/week; requires monthly verification and one year lock-out for making false statement	State public comment period completed, to be submitted to CMS
Arkansas	2017	Yes	Expansion adults	Work requirement	Planning to submit waiver request
Indiana	2015	Yes	Expansion adults	Work referral	Not included as part of waiver approval by CMS – state established separate voluntary state-funded work

⁵ MaryBeth Musumeci and Robin Rudowitz, The ACA and Medicaid Expansion Waivers, (The Henry J. Kaiser Family Foundation, November 2015). Accessed July 2017: <http://www.kff.org/report-section/the-aca-and-medicaid-expansion-waivers-issue-brief/>

⁶ Montana did not seek § 1115 authority for a work program as part of its Medicaid expansion waiver, but state law creates a state-funded voluntary program.

					search and job training program
Kentucky	2016	Yes-benefits suspended for failure to comply and not reinstated until compliance for full month	Includes all able-bodied working age adults; excludes children, pregnant women, medically frail, students, and primary caregivers of dependents	Volunteer work, employment, job search, job training, education, or caring for non-dependent relative or person with disabling chronic condition for 5 hours/week in year one and 20 hours/week in year two	Waiver application pending with CMS
New Hampshire	2015	No	Expansion adults	Referral to state job counseling service if unemployed	Not included as part of waiver approval by CMS
Ohio	2016	No	Expansion and traditional adults 18 and older	Referral to work development agency if not working 20 hours/week	Waiver application denied in its entirety by CMS
Pennsylvania	2014	Yes beginning in year two, would lose eligibility for 3 months, then 6 months, then 9 months for continued noncompliance	Expansion and traditional adults, ages 21 to 64; exemption for those experiencing crisis, serious medical condition, or temporary condition that prevents work search such as domestic violence or substance use treatment. Excluded: seniors, children under 21, pregnant women, SSI beneficiaries, those in institutions, dual eligible, & full and part-time students must register but do not have to complete work activities	20 hours/week of work or complete 12 job training and employment-related activities/month; those working more than 20 hours/week could have premiums or cost-sharing reduced or other incentives beginning in year two	Not included as part of waiver approval by CMS; previous administration planned to offer incentives for Medicaid beneficiaries who chose to participate in state-funded job training and work activity (current gubernatorial administration did not pursue this program)
Utah	2014	No, although state was considering sanctions related to benefits under other state programs for noncompliance	Able-bodied expansion adults	Automatic enrollment in work program with access to online assessment, job training, and job postings upon Medicaid application	Not seeking waiver authority for work proposal and overall waiver was never submitted to CMS

STATES THAT HAVE SUBMITTED WAIVER REQUESTS TO CMS WITH COST-SHARING PROVISIONS SUCH AS PREDICTABLE MONTHLY PREMIUM PAYMENTS, COPAYMENTS, HEALTH SAVINGS ACCOUNTS, REWARDS ACCOUNTS, OR OTHER COST COMPONENTS FOR ABLE-BODIED MEDICAID RECIPIENTS CONSISTENT WITH COMMERCIAL INSURANCE TO INCLUDE THE NAME OF THE STATE, THE YEAR THE WAIVER WAS SUBMITTED, WHETHER THE COST-SHARING IS OPTIONAL OR A MANDATORY CONDITION OF SERVICE RECEIPT, THE POPULATION COVERED, A SHORT SUMMARY OF THE PROPOSAL, AND THE CURRENT STATUS OF THE WAIVER APPLICATION.

Table 8 below reflects preliminary research performed by LDH on cost sharing waiver requests and implementation in other states. Additional research will follow in the next monthly report.

Table 8: Cost Sharing Waiver Status by State⁷

State	Year submitted	Population covered	Cost-sharing optional	Summary of proposal	Current status of waiver
IA	2013, amendment in 2015	Adults ages 19-64 from 101-138% FPL	No	After first year of enrollment, beneficiaries with income from 50-100% FPL pay \$5/month premium. Cannot be disenrolled for non-payment. Beneficiaries with income from 101 - 138% FPL pay \$10/month premium. Can be disenrolled for non-payment. State must waive premium for beneficiaries who self-attest to financial hardship. Unpaid premiums will be considered debt to state, which will be forgiven if the beneficiary does not re-apply or is no longer Medicaid-eligible at renewal. Premiums can be waived if beneficiaries complete specified healthy behavior activities. Cost sharing limited to 5% of quarterly income, including premiums. Co-pay required for non-emergency use of the ER beginning in year two of enrollment.	Approved 12/2013, Extended 11/2016
		Adults ages 19-64 from 50-100% FPL	Yes		
		Exempt: Adults age 19-64 with income below 50% FPL, those who are medically frail, and American Indians/Alaska Natives			
MI	11/2013, amendment in 09/2015	Working parents from 64-138% FPL	No	Expansion adults with income from 100-138% FPL pay monthly premiums of 2% of income (~\$20-27/month) into health accounts for services used in the previous six months. Failure to pay does not result in loss of Medicaid eligibility, past due premiums can be recouped from state income tax refunds or lottery winnings. Payments are due until six months of enrollment. Compliance with	Approved 12/2013, extended 12/2015
		Jobless parents from 37-138% FPL			
		Childless adults from 0-138% FPL			

⁷ MaryBeth Musumeci and Robin Rudowitz, The ACA and Medicaid Expansion Waivers, (The Henry J. Kaiser Family Foundation, November 2015). Accessed July 2017: <http://www.kff.org/report-section/the-aca-and-medicaid-expansion-waivers-issue-brief/>

				specified healthy behaviors results in a 50% reduction in future premiums for those above poverty and a \$50 gift card for those below poverty. ⁸	
IN	06/2014, extension request 08/2016	Working parents from 24-138% FPL	No	Premiums are 2% of income for all waiver beneficiaries (including some traditional Medicaid enrollees such as parents). This with income 0-5% FPL (up to \$50/month in 2016) pay a flat \$1.00/month. Premiums are paid into a Personal Wellness and Responsibility (POWER) health account. Adults with income from 100-138% FPL must pay a premium to effectuate coverage, those who fail to pay premiums within 60 days are disenrolled and locked out of coverage for six months. Coverage for expansion adults from 0-100% FPL who fail to pay premiums within 60 days are moved to a more limited benefit package (HIP Basic, without dental and vision benefits and with more limited prescription coverage) and incur point-of-service copayments. Traditional Medicaid enrollees who do not pay premiums are guaranteed state plan benefits. Graduate copayments (\$8 for first visit and \$25 for second visit) for non-emergency use of ER. Health plans provider care after exhausting the \$2,500 POWER account deductible (funded by the state and beneficiary premiums). ⁹	Approved 01/2015, temporary extension 11/2016
		Jobless parents from 18-138% FPL			
		Childless adults from 0-138% FPL			
AR	08/2013, renewal request 07/2016	Childless adults from 0-138% FPL	No	Enrollees with incomes above 100% FPL will be subject to premiums of up to 2% of household income. Failure to pay premium within a 90-day grace period will incur a debt to the state. Incentive	09/2013 and 01/2017
		Adult parents from 17-138% FPL			

⁸ MaryBeth Musumeci, Elizabeth Hinton, Petry Ubri and Robin Rudowitz, An Early Look at Medicaid Expansion Waiver Implementation in Michigan and Indiana, (The Kaiser Family Foundation, January 2017). Accessed July 2017: <http://www.kff.org/medicaid/issue-brief/an-early-look-at-medicaid-expansion-waiver-implementation-in-michigan-and-indiana/>

⁹ Ibid.

		Exemptions: Dual eligibles, individuals who are medically frail/have exceptional medical needs who do not have access to cost effective ESI, individuals who are medically frail/have exceptional medical needs who have access to cost-effective ESI through a participating employer and choose to receive standard Medicaid coverage under the State Plan		benefit (e.g., dental services) for new adult population available to those who make timely premium payments and achieve healthy behavior standards. All beneficiaries will receive information on referrals to work and work training opportunities.	
MT	03/2016 operations protocol request	Expansion adults ages 19-64 between 0-138% FPL	No	State can charge enrollees monthly premiums of 2 percent of aggregate household income for people with incomes 50-138% FPL and childless adults with income 0-138% FPL. Enrollees with income at or below 100% FPL cannot be disenrolled for failure to pay premium. Enrollees above 100% FPL who fail to make a premium payment after a 90-day grace period may be disenrolled, can be re-enrolled upon payment of arrears or when deb is assessed, the state will establish a process to exempt individuals from disenrollment for good cause. Premium payments will be a credit toward copayment obligations so that they shall not accrue out of pocket expenses for copayments until copayments exceed 2 percent of household income. Preventive health services, immunizations, and medically necessary health screenings exempt from copayments. ¹⁰	Approved December 2016

¹⁰ Montana Section 1115 Waiver for Additional Services and Populations (December 5, 2016). Accessed July 2017: <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/mt/mt-basic-medicaid-fs.pdf>

AZ	07/2016	All Medicaid expansion adults from 0-138% FPL	No	Impose monthly premiums of 2% income or \$25, whichever is less paid into health savings accounts. Require that co-payments, up to 3% of income, would be paid monthly into health savings accounts based on services already used (state legislation requires AZ to pursue cost sharing to the maximum allowed under federal law). Establish copayments for missed appointments and copayments above maximum federal limits for non-emergency use of ER. Disenroll and lock out of coverage for six months beneficiaries from 100-138% FPL for nonpayment of premiums and c-payments; failure to make payments for beneficiaries below 100% FPL would not result in lock out but would be counted as debt to state. ¹¹	Pending
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¹¹ Proposed Changes to Medicaid Expansion in Arizona, (The Kaiser Family Foundation, November 2015). Accessed July 2017: <http://files.kff.org/attachment/fact-sheet-proposed-changes-to-medicaid-expansion-in-arizona>